

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF TEXAS – DALLAS DIVISION

Zak Shaik, Plaintiff  
(a/k/a Zia Shaikh)  
v.  
Bay Mountain Capital LLC, and  
Stewart Title Guaranty Company, Defendants

**Case No.:** 3:25-cv-703-B-BW

**FIRST AMENDED  
COMPLAINT FOR  
DAMAGES, DECLARATORY  
RELIEF, AND INJUNCTIVE  
RELIEF**

**NOTICE REGARDING LEGAL IDENTITY**

Plaintiff Zak Shaik is the same individual who transacted with Defendants under the name “Zia Shaikh”, which appears on closing and loan documents. Both names refer to the same person, and Plaintiff is the real party in interest to all agreements and claims in this action.

**PARTIES**

Plaintiff Zak Shaik is an individual residing in Texas. For all legal purposes, Plaintiff was identified in prior loan and closing documents as “Zia Shaikh.” These are common legal name variants.

Defendant Bay Mountain Capital LLC is a private lending company headquartered at 3824 Cedar Springs Rd, Suite 412, Dallas, TX 75219.

Defendant Stewart Title Guaranty Company is a title insurance and escrow company headquartered at 1360 Post Oak Blvd, Suite 100, Houston, Texas 77056, conducting business in this District.

**JURISDICTION & VENUE**

1. This Court has jurisdiction under 28 U.S.C. § 1331 (federal question jurisdiction) because Plaintiff asserts claims under TILA (15 U.S.C. § 1601 et seq.) and RESPA (12 U.S.C. § 2601 et seq.).

2. This Court also has diversity jurisdiction under 28 U.S.C. § 1332, as Plaintiff is a Texas resident, and Defendants are Texas-based companies, with the amount in controversy exceeding \$75,000.
3. Venue is proper in the Northern District of Texas, Dallas Division, under 28 U.S.C. § 1391 because:
  - Bay Mountain Capital is headquartered in Dallas, Texas and transacts business in this District.
  - Stewart Title Guaranty Company is headquartered in Houston, Texas but conducts business across Texas, including Dallas.

## **PARTIES**

4. Plaintiff ZS is an individual residing in Texas and proceeding under a pseudonym for privacy and financial protection.
5. Defendant BAY MOUNTAIN CAPITAL LLC is a private lending company headquartered at 3824 Cedar Springs Rd, Suite 412, Dallas, TX 75219.
6. Defendant STEWART TITLE GUARANTY COMPANY is a title insurance and escrow company headquartered at 1360 Post Oak Blvd, Suite 100, Houston, Texas 77056.

## **FACTUAL ALLEGATIONS**

### **A. Bay Mountain's Deceptive Lending & Overcharges**

7. Bay Mountain Capital provided commercial mortgage loans to Plaintiff secured by multiple properties, including those located in Oklahoma.
8. Bay Mountain applied an 18% default interest rate, despite Plaintiff's continued efforts to extend the loan and despite Bay Mountain admitting in prior communications that it deferred extension fees until the loan closed.
9. Plaintiff never missed a payment and was actively working to refinance with Velocity Mortgage. However, Bay Mountain:
  - Wrongfully applied default interest of 18% despite extension negotiations.
  - Charged an unauthorized "exit fee" without proper disclosure at loan origination.
  - Initiated wrongful foreclosure proceedings despite knowing a refinance was in progress.

**B. Stewart Title's Mishandling of Escrow & Excessive Fees**

10. Plaintiff provided Stewart Title explicit written instructions on January 30, 2025, NOT to release mechanic's lien funds.
11. Despite this, Stewart Title wrongfully disbursed these funds, breaching its fiduciary duty.
12. Stewart Title also charged excessive and unreasonable title and escrow fees, including:
  - Title Search Fee: \$4,200 (3x standard rate)
  - Interim Title Report Fee: \$1,400 (not a required charge)
  - UCC Search Fee: \$700 (should be \$50–100)
13. Stewart Title's wrongful disbursement of funds caused direct financial harm to Plaintiff.

**CAUSES OF ACTION**

**COUNT I – VIOLATIONS OF THE TRUTH IN LENDING ACT (TILA) (15 U.S.C. § 1601 et seq.) (Against Bay Mountain Capital)**

14. Bay Mountain failed to clearly disclose the exit fee and default interest charges, violating TILA.
15. Bay Mountain's imposition of unauthorized charges constitutes deceptive lending.

**Relief Sought:**

- Full refund of unauthorized fees.
- Statutory damages under TILA.
- Injunctive relief barring Bay Mountain from further unauthorized fees.

**COUNT II – VIOLATIONS OF RESPA (12 U.S.C. § 2601 et seq.) (Against Both Defendants)**

16. Bay Mountain and Stewart Title charged excessive and undisclosed settlement fees in violation of RESPA.
17. Stewart Title engaged in deceptive settlement practices by failing to follow escrow instructions.

**Relief Sought:**

- Refund of all excessive and undisclosed fees.
- Statutory damages under RESPA.

**COUNT III – BREACH OF CONTRACT (Against Bay Mountain Capital)**

18. Bay Mountain Capital breached its contract by:

- Wrongfully applying default interest despite Plaintiff's compliance.
- Charging an unauthorized exit fee.

**Relief Sought:**

- Damages for breach of contract.
- Attorney's fees and costs.

**COUNT IV – BREACH OF FIDUCIARY DUTY (Against Stewart Title)**

19. Stewart Title breached its fiduciary duty by disbursing escrowed funds despite explicit instructions not to do so.

**Relief Sought:**

- Compensatory and punitive damages.

**PRAYER FOR RELIEF**

WHEREFORE, Plaintiff requests that this Court enter judgment in his favor and grant the following relief:

- A. Compensatory damages exceeding \$150,000.00 for wrongful fees, overcharges, and foreclosure-related costs.
- B. Statutory damages under TILA and RESPA.
- C. An injunction barring Bay Mountain from applying further default interest or exit fees.
- D. A court order compelling Stewart Title to refund all escrow and title overcharges.
- E. Attorney's fees, litigation costs, and any other relief the Court deems just.

**JURY DEMAND**

Plaintiff demands a trial by jury on all triable issues.

ZAK SHAIK

**Respectfully submitted,**

**Zak Shaik**

(a/k/a Zia Shaikh)

300 E. South St, Unit 391

Arlington, TX 76004 (469) 702-8955 [Ardmorerental@outlook.com](mailto:Ardmorerental@outlook.com)